

St. Anthony Gold Corp. to acquire a 75% interest in Brazilian, highly prospective Lithium & Rare Earth projects

VANCOUVER, BC / ACCESSWIRE / October 21, 2022 / St. Anthony Gold Corp. (“St. Anthony” or “the Company”) (CSE: STAG) (Frankfurt: M1N) (OTC: MTEHF) has entered into a non-binding Letter of Intent (LOI) with Foxfire Metals Pty Ltd (“Foxfire”), an Australian Company, pursuant to which the Company intends to acquire a 75% interest in eight Brazilian exploration licenses (“the Brazilian Portfolio”); six for lithium and two for rare earth elements (REE).

The Brazilian Portfolio

The Brazilian Portfolio totals 12,315 hectares of highly prospective lithium and REE exploration licenses, in the states of Minas Gerais and Bahia for lithium and Goas for REEs. Brazil is now recognized as one of the world’s major high grade lithium producers confirmed by Tesla supplier recently securing off take agreements with Sigma Lithium Corporation’s (TSX-V: SGML) subsidiary Brazilian Sigma Mineração SA (Sigma).

The Minas Gerais Project

- Three of the six acquiring lithium licenses are only ~38 km to the east of Sigma’s Grota do Cirilo property in Minas Gerais, Brazil.
- These three lithium licenses lie within the highly prospective northern portion of the state of Minas Gerais in the municipality of Padre Paraiso, location of the Brazilian lithium producing districts and lithium belt. The areas are known to host lithium bearing pegmatites associated with spodumene, lepidolite and amblygonite.
- Minas Gerais state owned Companhia Brasileira de Lítio’s mining operation and Lithium Ionic (TSX-V:LTH) as well as Australian-based Latin Resources Limited (ASX: LRS) and Oceana Lithium Limited (ASX: OCN) have recently made discoveries in the same, well known lithium province and pegmatite area of Minas Gerais.

Bahia Lithium Project

- The other three of the six acquiring Lithium licenses are situated in the north-eastern states of Bahia, Pernanbuco, and Rio Grande do Norte and have the potential to host lithium bearing pegmatites.

Goas REE Project

- Outside of China, Brazil is the dominant global producer of certain REEs, with most major producers and explorers of REEs in Brazil located in the state of Goas where St. Anthony can acquire two REE exploration licenses.

Commenting on the Transaction, Peter Wilson, CEO of St. Anthony stated, “We are excited about the proposed acquisition of a 75% interest in these highly prospective lithium and rare earth elements projects across three states in Brazil. Over the last number of months, management has been reviewing a range of potential acquisition opportunities to diversify our project portfolio; we believe that, given the location and commodity, these projects offer the Company the best opportunity to increase shareholder value.”

“Brazil has seen increased interest from junior explorers and major mining houses, with the region being home to a number of lithium projects. The proposed (Foxfire) licenses provide an exciting opportunity for early-stage, green field exploration in a known lithium province, particularly given the close proximity of Sigma’s property (~38km).”

“Our team will continue diligence work with the aim of initiating a maiden exploration program in November 2022. I am excited to be part of this new venture for St. Anthony and look forward to updating stakeholders and shareholders in due course.”

Commercial Terms of the Transaction

The transaction allows St. Anthony to acquire an immediate 75% interest in the Brazilian Portfolio upon signing of the LOI and agreeing to:

- Grant a free carried interest for Foxfire’s 25% equity in the Brazilian Portfolio to the end of a bankable feasibility study.
- A cash payment 15 days after execution of the LOI of CAD \$150,000 with a further CAD \$100,000 within 6 months or on the next capital raising (whichever is the sooner).
- Issuing 13,896,250 shares of St. Anthony to Foxfire under agreed escrow terms.
- Maintenance of the existing net smelter royalty of 2% held by the original vendors remains, with a buy back provision of 50% for CAD \$1,000,000.
- Maintenance of management rights of the project by Foxfire for two years with both parties to formulate an agreed upon expenditure budget for the period.
- St. Anthony being granted the “first right of refusal” to acquire Foxfire’s 25% equity interest in the Brazilian Portfolio

Proposed Initial Exploration and Study Activities

An exploration program is being prepared to map and locate potential pegmatites for lithium as well as for REEs with the aim of identifying immediate drill targets.

The technical information contained in this news release has been reviewed and approved by Dr. Paul Woolrich (BSc Geology, MSc Geochemistry, PhD Metallurgy) who is a Member of the MAusIMM and a Qualified Person as defined under National Instrument 43-101.

FOR ADDITIONAL INFORMATION SEE THE COMPANY'S WEB SITE AT

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Further information about the Company is available on www.SEDAR.com under the Company's profile.